

Q. How can you talk about a Democratically controlled Congress? The Democrats have controlled Congress—talk about gridlock. Why don't you take leadership?

The President. Now, wait a minute. Whoa!

Q. You're the one that talks about——

The President. Do you want me to answer the question?

Q. Yes. You're the one——

The President. Wait, wait, wait, wait, wait. Most people, sir—no, wait a minute. Are you going to let me answer the question?

Q. ——Congress and you won't——

Audience members. Quiet!

The President. Are you going to let me answer the question? This is not your meeting, sir. And most people have better manners than to interrupt somebody giving a speech. I might say that's another thing that's wrong with this country, there's not enough civility in how we treat one another.

But the answer to your question, which is good Civics 101, is that the Democrats do not control the Congress when 41 Republicans want to vote to keep anything from being voted on in the Senate. That is the answer. They do not. The filibuster rule means you have to have 60 votes to bring anything to a vote except for this budget. Everything else requires 60 votes. But it's not a party deal, it's a question of whether we should make decisions. I say, if they want to vote against me, fine; let's make a decision and go on to something else. Let's just move. I think that's the issue.

Let me just say one last thing. I believe that this works. I came here basically to highlight what you're doing and to support it and to ask you to tell me what I can do to help it be better at the national level. But in the end, if this kind of attitude that you are here to celebrate, this whole new idea of a partnership for productivity and leaving behind all the sort of labeling that has shackled us for too long, if this doesn't take over the private sector, nothing the President can do can revitalize America. You have to carry it. And I believe you will.

Thank you, and God bless you all.

NOTE: The President spoke at 1:15 p.m. at the Sheraton Chicago Hotel.

Remarks in a Conference Panel Discussion in Chicago

July 26, 1993

Once again, let me say how delighted I am to be here and to see all of you here and how pleased I am to see the Secretaries of Labor and Commerce working together. We're trying to build some teamworks in our Cabinet that have not historically been there. And I think that this is a good example.

I understand that this morning's panels were quite interesting, and I got a play-by-play description for a few moments when we were taking a break in there. So far you have focused on what we mean by the new American workplace and the problems and barriers that companies and workers must struggle with in redesigning their organizations.

I, frankly, am learning how hard this can be myself, because we have a very serious project underway now in the Federal Government in trying to reinvent the Federal Government. The project is headed by the Vice President. We have sought out the opinions of a number of people in this room that I recognize here today. But I think that next month—or, excuse me, in September—when we announce the report of the reinventing Government task force, you will be very pleased to see that we're trying to take another page out of your book to make the Government more efficient and to work better.

Our responsibility, it seems to me, as I said in my speech, is to create the most favorable economic conditions. Sometimes that means reducing the deficit; sometimes it means specific incentives or programs; other times it means just getting out of your way and deregulating. The Government's relationship to the private sector are changing the nature of that relationship.

There are challenges that are clearly unique to the workplace, outside the realm of Government, that you have to meet by yourselves but with our encouragement and without our interference. Those are the things we're going to focus on now. The purpose of this panel is to focus on why companies and public institutions are literally reinventing themselves organizationally by asking such questions as what benefits workers receive from new workplace organiza-

tions; why unions should support these practices; how companies' bottom lines are affected; and how moving to high-performance work can help improve our Nation's economic performance. We can begin to establish high-performance workplaces as the models, the rules, if you will, for our country's new economy.

NOTE: The President spoke at 2:24 p.m. at the Sheraton Chicago Hotel.

Interview With the Indiana Media in Chicago

July 26, 1993

The President. Thank you very much. Please sit down. Sorry the conference ran a little late, but there was a lot of enthusiasm up there.

Let me just make a very brief opening statement. I want to give most of the time over to you for questions. I am doing a series of press conferences like this with representatives of the press from various States around the country, trying to do as many as I possibly can, the Vice President is doing others, to answer questions directly about the economic plan now before the Congress and any other issues that you would like to raise. It's not possible for the President, at least during the budget time, to travel the country as much as I would like to, so this gives me a chance as nearly as possible to communicate directly with the people whom you report to.

I want to emphasize just one or two things, if I might, about this economic plan. More than any other one which has been presented by any party, it reduces the deficit in a way that is fair to all the American people; that balances spending cuts and tax increases; that asks the middle class to pay a very small percentage of the overall burden in what amounts to about, at the most, \$50 a year, a little less than a dollar a week; holds working families with incomes of under \$30,000 harmless; and actually gives over 90 percent of the small businesses in the United States a chance to reduce their tax burden because they have no income tax increases. And they're given a chance to reduce their tax burden because the expensing provision

which rewards them with lower taxes if they reinvest in their businesses is doubled under this plan.

This is a plan that will promote jobs, bring the deficit down, keep interest rates down, and enable us to move ahead with our business as a country. I think it is imperative that it pass. The most important thing is the Congress needs to pass a budget and to do it quickly so we can get on to other matters and start doing the other things that need to be done to grow the American economy as well.

If there are questions, I'll be glad to take them.

Yes, sir.

Taxes on Small Business

Q. Mr. President, the majority of jobs in Indiana are from small businesses, and you indicated that also in your address at noon today—Sub S corporations. A lot of the business people we talked to are really frightened that the tax package or the budget package would increase their taxes to the point where they're afraid they're going to have to cut back, lay off people, maybe some even go out of business. What assurance can you really give Hoosier business men and women that this plan is good for them?

The President. Well, there are 7 million Subchapter S corporations in America. Of those 7 million, 400,000, or far less than 10 percent, will have any income tax increase at all under this program. All of them, if the program passes, will have the expensing provisions of the Code, that is, they'll be able to just immediately write off \$20,000 rather than \$10,000 of expensing. So I will say again, over 90 percent of the small businesses in this country will get a tax break under this program.

To those who will pay higher taxes because the income taxes on the upper 6 percent of the country are going to be raised—it will be roughly small businesses with an income above \$140,000 adjusted gross income—to them, I would say there are ways to avoid that through reinvestment, just as there are for individuals. Keep in mind, this plan also leaves the rates where they are for capital